

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3904 – HB 3793

March 3, 2010

SUMMARY OF AMENDMENT (014841): Deletes all language after the enacting clause of the original bill. Requires certain documents submitted to the state in response to a request for proposal (RFP) or other procurement method to remain confidential. These documents include discount, rebate, pricing, or other financial arrangements at the individual drug level between pharmaceutical manufacturers, pharmaceutical wholesalers or distributors, and pharmacy benefit managers that are submitted in response to an RFP, included in an RFP cost or price proposal, or are explicitly marked as confidential and proprietary.

Documents give to the State for RFP responses at the individual provider level between health care providers and health insurance entities, insurers, insurance arrangements, and third party administrators that a proposer submits in response to an RFP or in response to a request for more information by the State after the notice of intended award is issued or are marked as explicitly confidential and proprietary shall also be kept confidential.

Specifies that nothing in the above provisions shall be used to limit or deny access to otherwise public information. Confidentiality of documents at the individual provider level between health care providers, and health insurance entities, insurers, insurance arrangements and third party administrators shall only apply after the completion of the evaluation period. Such information shall not be used to alter the scope of information required by the State's RFPs. Any report made by the State or on the State's behalf that uses confidential information at the individual provider level between health care providers and health insurance entities, insurers, insurance arrangements and third party administrators shall not be kept confidential as long as the report aggregates or summarizes data without disclosing confidential information at the individual provider level.

FISCAL IMPACT OF ORIGINAL BILL:

MINIMAL

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

SB 3904 – HB 3793

Assumption applied to amendment:

- According to the Department of Finance and Administration, changes will be made to the RFP process to ensure the confidentiality of this information. The fiscal impact of these changes is estimated to be not significant. Any increase in state expenditures to summarize data in any issued reports is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/msg